Minnesota Stories

On average, child care in Minnesota costs \$901 per month, or \$10,812 per year, for one child. Because of the high cost of child care, many parents are forced to leave the workforce because it makes more financial sense to care for their children at home, than to keep their jobs. To provide greater economic security for working Minnesota families, and to give parents more flexibility, Governor Dayton has proposed a major expansion of the Child and Dependent Care Credit – providing \$101 million in direct tax relief to 130,000 low- and middle-income families.

The Steffan Family - Saving \$1,200

Michelle Steffan is a physical therapist, and her husband, Jake is a software engineer. Michelle is returning to work following her maternity leave. Her family currently spends \$225 a week to send Xavier, age 3, to Spanish Immersion day care and preschool. When Michelle returns to work two days a week, it will cost \$200 a week for Linden, 9 months, to attend the program – totaling \$425 a week in child care expenses. The money Michelle makes from working each week will go directly to the cost of childcare. Under current law, the Steffan family would not be eligible for a tax credit. **Under Governor**



Dayton's plan to expand the Child and Dependent Care Credit, the Steffans would receive a \$1,200 tax credit each year.

The Clark Family – Returning to Work

Tameya Clark is a stay-at-home mother to 5-year-old Diante. A few years ago, the high cost of child care forced Tameya to make a tough decision. She decided to leave her job as an executive assistant so that she could stay home to care for Diante. Under the Governor's plan, the Clark Family will receive a bigger tax credit, allowing parents like Tameya the financial security to get back into the workforce.

Barb Mikelson - Child Care Provider

Barb Mikelson is the director of All God's Children Learning Center. The Learning Center is a non-profit, employing 28 professionally-licensed staff and providing 68 children with all-day child care and preschool. During the recession, when many Minnesota families were losing jobs, Barb had many difficult conversations with parents who were providing for their families on one income. Some families made the decision to pull their children out of the Learning Center, or reduced the number of days they sent their children to child care. Barb expects Governor Dayton's proposal to benefit up to half of the families she serves.

